



Arizona State Retirement System

3300 North Central Avenue, Phoenix, AZ 85012

www.azasrs.gov

Special Notice

Legislative Changes affecting ASRS Members

Questions?

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July 1, 2011

Several changes affecting current ASRS members are being implemented in July, as directed by statute modifications made during the past legislative session.

1) Contribution Rates

New contribution rates for the fiscal year take effect July 1, 2011. They are:

	Fiscal 2011-12 July 1, 2011 – June 30, 2012		
	Retirement Pension & Health Insurance Benefit	Long Term Disability Income Plan	Total
Employee (53%)	11.13%	0.26%	11.39%
Employer (47%)	9.87%	0.23%	10.10%

Pursuant to Arizona Laws 2011, Chapter 26 (Senate Bill 1614), the employee / employer contribution rate split was changed from the historical 50/50 percent split to a 53 percent employee / 47 percent employer split. Thus, the contribution rate for employees and employers is no longer identical.

The legislation modifying the contribution rate split is effective on the 2011 general effective date, July 20, 2011. The legislation, however, directs that the contribution rate split be implemented retroactively to July 1, 2011. Members may wish to check with their employer regarding implementation of the new rates.

2) Service Purchase

Beginning on the legislative effective date – July 20, 2011 – a member must have 10 years of credited service before initiating a Service Purchase request, except for previously forfeited service. Also, the amount of service credit a member may purchase is limited to 60 months per type of service, except for previously forfeited

service. Members may not purchase service time for which they are receiving, or are eligible to receive, other retirement benefits.

Members who have 5 years of credited service may initiate a service purchase request with the ASRS now through July 19. This may be done via the ASRS website by selecting the "Purchase Service" link on the ASRS homepage – www.azasrs.gov

3) Long Term Disability

Beginning on the legislative effective date – July 20, 2011 – LTD claims must be submitted within 12 months of the date of disability, unless the member can show good cause for filing late. Also, the ASRS may suspend benefits or terminate claims when a member refuses to provide requested information (such as Social Security wage statements or medical documents, etc.) to the ASRS.

4) Felony Forfeitures

Beginning on the legislative effective date – July 20, 2011 – ASRS members who are convicted of, or plead no contest to, a Class 1 through 5 felony that was committed in the course of employment are subject to forfeiture of their pension benefit by order of a court.

Note: The above information is a brief summary of selected legislative changes affecting current ASRS members. To view a summary of all ASRS-related legislation from the past session, including provisions that affect new members, see

[2011 Retirement Legislation Summary](#)